



DEPARTMENT OF TRANSPORT
UMNYANGO WEZOKUTHUTHA

Enquiries : Miss A Singh
Extension : 2237
Reference : T6/17/P

TO: ALL HEADS OF DEPARTMENT
MEMBERS OF THE MOTOR TRANSPORT ADVISORY COMMITTEE
ALL DEPARTMENTAL TRANSPORT OFFICERS

14 SEP 2005

PROVINCIAL TRANSPORT MANAGEMENT (PTM) CIRCULAR NO 18 OF 2005: IMPLEMENTATION OF NEW INCLUSIVE FLEXIBLE REMUNERATION PACKAGE SYSTEM FOR EMPLOYEES IN THE MIDDLE MANAGEMENT SERVICE (MMS) (SALARY LEVELS 11 AND 12), EFFECTIVE FROM 1 JULY 2005

1. The new inclusive flexible remuneration package system for employees in the middle management service (MMS) which was effective from 1 July 2005, has reference.
2. At the Departmental Transport Officers Forum held on 11 August 2005, a concern was raised by the representative from Wesbank Corporate, regarding officials wanting to withdraw from the Subsidised Motor Transport Scheme in order to go onto the Middle Managers Scheme. In this regard your attention is drawn to paragraph 4.1. Motor Vehicle Allowance set out in Annexure A "Inclusive flexible remuneration package system (dispensation) for members of the middle management service (MMS) on levels 11 and 12: members employed in terms of the following acts: Public Service Act, 1994, Correctional Services Act, 1998" to DPSA Circular 2 of 2005, which states that officials in this category may structure their salary to include a motor vehicle allowance or continue to participate on the Subsidised Motor Transport Scheme A and C, provided that they adhere to the prescripts of the latter.
3. The premature withdrawal of a subsidised vehicle is provided for in the Subsidised Vehicle Policy which states "If, for any reason, such as dismissal, retirement, ill health, death, resignation, retrenchment, or where an official is transferred to a post where a Subsidised Vehicle is not justified, the monthly travel allowances and insurance shall terminate". Furthermore, the policy is clear in that officials must fulfil their contractual obligations to the Service Provider. In this regard, I refer to paragraph 12 which, *inter alia*, states "The official utilisation period for a Subsidised Vehicle shall be for a minimum period of 32 months and a maximum period of 48 months. The official must complete the contracted utilisation period that has been negotiated per individual contract with the service provider".
4. In view of the above prescripts, an official may not prematurely withdraw his/her subsidised vehicle from the Subsidised Motor Transport Scheme in order to structure their salary to include a motor vehicle allowance on the Middle Managers Scheme. The aforementioned is supported by the provisions of both the Scheme and the Subsidised Vehicle Policy.
5. It must however be mentioned that an official with a car allowance on the Middle Managers Scheme could re-structure his/her flexible portion of the allowance at any time. This in effect means that if the official qualifies for a subsidised vehicle during the course of the year, he/she would need to re-structure his/her salary to exclude the car allowance in order to participate in the Subsidised Motor Transport Scheme. However, it is re-iterated that an official already participating in the Subsidised Motor Transport Scheme cannot withdraw from such, without meeting the requirements of the Subsidised Vehicle Policy and associated contractual obligations, and then re-structuring his/her salary to include the car allowance.

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MOTOR TRANSPORT SERVICES DIRECTORATE

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6. Submitted for your information and attention.
7. Kindly bring the contents of this circular to the attention of all relevant officials within your Department as a matter of priority.



For Head: Transport

h:policies/circulars/circulars 2005/PTM Circular 18 of 2005.MMS clarification

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